

## MBS INTERNATIONAL AIRPORT COMMISSION

April 20, 2017

### MINUTES

The meeting was held in the Eugene F. Gwizdala Conference Room, 8500 Garfield Road, Freeland, Michigan 48623. Greg Branch, Chairman, called the meeting to order at 1:32 p.m. Roll was called by Nicole Moses.

### COMMISSIONERS

| <u>Present</u>  | <u>Absent &amp; Excused</u> | <u>Staff</u>    | <u>Guest</u>           |
|-----------------|-----------------------------|-----------------|------------------------|
| Tom Adams       | Brad Gray                   | Jeff Nagel      | David Joye-RS&H        |
| Greg Branch     | Tim Morales                 | Chris Sieklucki | Pat Frame-RS&H         |
| Tom Ryder       |                             | Amy Lusk        | John Decoster-Trillion |
| Dennis Browning |                             | Nicole Moses    | Dan Benzon-Trillion    |
| Dave Keenan     |                             |                 | Jon Becker-MDN         |
| Tom Herek       |                             |                 |                        |
| Ernie Krygier   |                             |                 |                        |

### PLEDGE OF ALLEGIANCE

MINUTES: Mr. Krygier made a motion to approve the minutes of the Regular Commission Meeting held on March 16, 2017. Mr. Browning seconded the motion. The motion was unanimously approved by the Board.

MARCH 2017 WARRANTS AND CASH & INVESTMENT SUMMARIES: Mr. Ryder made a motion to approve the Warrant Registers for the March Payroll Advice Numbers 004681-004773 and the March Operations & Maintenance Check Numbers 045734-045802. Mr. Browning seconded the motion and the Board unanimously approved it. Mr. Ryder made a motion to approve the March Cash and Investment Summaries. Mr. Keenan seconded the motion and the Board unanimously approved them.

PUBLIC COMMENT: NONE

### AIRLINE TERMINAL HVAC SERVICES

Johnson Controls Inc. (JCI) has been performing the preventative maintenance and required service on the new terminal HVAC systems for the past three years. Johnson Controls has done a very good job and works well with the Airport Maintenance Supervisor and the maintenance staff. The current contract cost is \$21,885 per year and expires on May 14, 2017. Airport staff asked both Johnson Controls and Honeywell to provide quotes for a new two-year agreement.

The prices provided are as follows:

|                  | <u>Year 1</u> | <u>Year 2</u> |
|------------------|---------------|---------------|
| Johnson Controls | \$22,900      | \$22,900      |
| Honeywell        | \$29,750      | \$29,750      |

Both companies provided very aggressive bids for this service. This contract covers all preventative maintenance for the building systems. MBS personnel change all the air filters and also change most belts when needed. If issues are discovered during the routine PM, then a separate purchase order is required before JCI performs the repair.

Staff has reviewed the quotes and based on the costs provided and the job that Johnson Controls has done over the past three years, the recommendation is to accept the bid of JCI.

Mr. Herek made a motion to approve Johnson Controls Inc. to provide HVAC services for the new airline terminal at the costs outlined above. The motion shall also authorize the Chairman, or in his absence the Vice Chairman, to sign the related documents. Mr. Herek seconded the motion. After discussion on the frequency of routine maintenance and all repairs being at an additional cost, the motion passed unanimously.

#### RUNWAY 14/32 CRACK SEAL PROJECT

At the December 2016 meeting, the Airport Commission approved a Resolution which included the runway 14/32 crack seal work in the 2017 Airport Improvement Program (AIP) project. The commission also approved the use of local funds to pay for the design over the winter so bids could be received first thing this spring. RS&H worked on the design and held several meetings with airport staff over the past several months. The plans were available in early March and we advertised for bids in all three local papers and on the MBS website. A pre-bid meeting was held on March 15<sup>th</sup> and included RS&H and airport staff. Bids were due on Friday, March 31<sup>st</sup> at 10:00 am.

The following bids were received:

|                         |              |
|-------------------------|--------------|
| Scodeller Construction  | \$104,009.00 |
| Fahrner Asphalt Sealers | \$109,059.00 |
| JJ Cunningham LLC       | \$115,200.00 |
| Axtell's Inc.           | \$133,483.00 |

The engineers estimate for the project was \$200,030.00.

RS&H has reviewed all of the bids and provided a letter of recommendation along with a further breakdown of the bids.

The bid documents require the contractor to hold the bid prices for a period of 90 days. The plan is to submit the final AIP grant application in the next two weeks to seek funding for the project. With the current climate in Washington, there is not a firm schedule as to when airport sponsors

can expect the grants to be released. If we do not receive the grant in a timely manner, we would like to fund the project with local funds and seek reimbursement when the grant does arrive.

Mr. Herek made a motion to approve the bid of Scodeller Construction in the amount of \$104,009.00 to perform the runway 14/32 crack seal project. The motion shall also authorize the Chairman, or in his absence the Vice Chairman, to sign the related documents. Finally, the motion shall authorize the Airport Manager to use local dollars, if needed, to fund the project until the arrival of the AIP grant. Mr. Keenan seconded the motion. The Commission inquired about the variance in the project estimates versus bid prices. RS&H said that mobilization costs and safety and security costs came in surprisingly lower than expected, even based on last year's cost of similar items. The motion passed unanimously.

#### RS&H 2017 AIP CONSTRUCTION ADMINISTRATION

As with most construction projects at MBS, we require a contract with RS&H to provide construction administration services. This includes tasks such as project oversight, payroll certification, grant close-out, etc. Since the runway 14/32 crack seal is a smaller scale project, this will require less direct oversight by RS&H so the C/A contract reflects a reduced amount compared to the runway 5/23 project last year.

The contract was presented to the Commission for review and reflects a total cost of \$11,700. These costs are eligible for AIP reimbursement and this number will be used in our 2017 AIP final application.

The agreement is subject to the review and approval of our State Aeronautics Program Manager and also the review of the airport attorney. Both have reviewed and approved the contract.

If the AIP grant is delayed, MBS would use local funds to pay for this contract and seek reimbursement through the grant once it arrives.

Mr. Krygier made a motion to approve the RS&H Construction Administration contract for the runway 14/32 crack seal project. The motion shall authorize the Chairman, or in his absence the Vice Chairman, to sign the related documents. The motion shall also authorize the Airport Manager to use local funds, if needed, to pay for the services and seek reimbursement through the AIP grant process. Mr. Browning seconded the motion and the motion passed unanimously.

#### RUNWAY 5/23 REHABILITATION-DESIGN ONLY

The 2017 Airport Improvement Program (AIP) project for MBS will include the design of the rehabilitation of runway 5/23, which is the main runway for the airport. The design will be completed during 2017 and early 2018 and will include both the pavement rehabilitation and the lighting/electrical rehabilitation of the runway. The construction is anticipated to take place in the summer of 2018. To keep this schedule, it is important to start the design in summer of 2017.

RS&H has submitted a proposed design contract which includes the following tasks:

- Preliminary Design
- 60% Design
- 90% Design
- 100% (Bid Set)
- Bid Services

The total cost for this contract is \$423,600. The various design services, as well as detailed information on the costs, are outlined further in corresponding portions of the contract.

This contract is subject to the independent fee review which will be conducted by our State Aeronautics Program Manager. The contract is also subject to the review of the airport attorney. Both have reviewed and approved the contract.

The cost for this design will be submitted in our 2017 AIP final application and is eligible for AIP funding.

Mr. Browning made a motion to approve the RS&H runway 5-23 rehabilitation design contract. The motion shall also authorize the Chairman, or in his absence the Vice Chairman, to sign the related documents. Finally, the motion shall authorize the Airport Manager to make payment using local funds, if needed, until an AIP grant for this project is received. Mr. Herek seconded the motion. Discussion was held regarding LED lighting being included in the project, as the last time the lighting was updated was in the mid 1990's. The motion passed unanimously.

### BUILDING DEMOLITION

MBS requested the airport General Consultant, RS&H, provide a proposal to prepare the plans and specifications in order to bid the removal of the old terminal building. RS&H has provided that proposal and it has been reviewed by staff.

In summary the proposal includes the following:

- Existing Facility Information Review
- Building Hazardous Material Survey
- Site Visit
- Code and Permit Research
- Utility Review
- Bidding Services

The cost breakdown and scope of services is attached for review.

The proposed fee for these services is \$44,605.44. This will be paid with 100% local funds because the project is not eligible for either AIP funding or PFC funding. Since there are no FAA Airport Improvement Program dollars being used for this project there is not a requirement to perform an independent cost review, however, the contract was sent to our State Aeronautics Program Manager for her review and input. She found the costs to be in-line and comparable with

other demo projects she has seen throughout the State. It should be noted that this contract does not include construction phase services. If we require those services, that contract would come to the Airport Commission at a later date.

RS&H estimates that the design and bidding should take between 75 – 90 days. Once bids are received to tear down the building those bids will need to come to the Airport Commission for approval.

Pieces of utility equipment will be removed from the old terminal prior to demolition by the respective utility companies.

Mr. Herek made a motion to approve the RS&H proposal for design and bidding services for demolition of the old passenger terminal. The motion should authorize the Chairman, or in his absence the Vice Chairman, to sign the related documents and also authorize the Airport Manager to make payment using local funds. Mr. Keenan seconded the motion and the motion passed unanimously.

#### PERSONNEL COMMITTEE REPORT

The Personnel Committee met on April 5, 2017 to discuss the administration staff wages. In the past, the admin staff have received the same wage increases as the union receives. In the recently-approved CBA for the union, those employees received a 2% wage increase and a \$1,500 lump sum for 2017. After discussion, the committee agreed with the recommendation that the five administration employees (not including the airport manager) receive the same 2% wage increase and the \$1,500 lump sum for 2017.

Mr. Krygier made a motion to approve a 2% wage increase for administration employees and a \$1,500 lump sum payable on the next scheduled pay day. Mr. Browning seconded the motion and the motion passed unanimously.

#### NATIONWIDE TRUCK BROKERS AGREEMENT

MBS was contacted by a representative from Nationwide Truck Brokers (NTB) out of Lansing and Grand Rapids. They have several drivers located near the Great Lakes Bay Region and they were interested in having a location to stage their trucks. The trucks would be staged at MBS and the drivers would pick them up at the beginning of their workweek. Once the workweek was over, the trucks would then be parked at MBS once again. This arrangement would not have trucks coming and going from MBS every day. Depending on the monthly demand, NTB would stage between 2 and 7 trucks per month.

Looking over several potential locations with their representative, it appears the best location is an area of the old terminal ramp as outlined on the presented drawing. This area is secured by a fence that was installed when the old terminal closed in 2012. The area is also fenced off from the airside by a second fence, therefore, the drivers will not have a need for airport ID badges or have to go through the TSA background screening checks. It is anticipated that the contract be drafted as a month-to-month so if this location does not work out, or if demand falls off, NTB can

terminate the agreement without penalty. MBS also wants to reserve the right to terminate the agreement if needed for any reason.

The standard rate for secured truck parking is \$100 per month per truck and NTB has agreed to pay that cost. If approved, the effective date of the agreement will be May 1, 2017.

The airport attorney confirmed that all liability will be carried by the NTB including any personal vehicles.

Mr. Ryder made a motion to approve an agreement with Nationwide Truck Brokers as outlined above. The motion shall authorize the Chairman, or in his absence the Vice Chairman, to sign the related documents once reviewed by Amy. Mr. Browning seconded the motion and the motion passed unanimously.

OLD BUSINESS      None

NEW BUSINESS

The annual election of officers will take place at the next board meeting on May 18, 2017.

Regretfully, previous Airport Commissioner Hollis McKeag has recently passed away. Mr. McKeag represented the City of Midland on the Airport Commission for 15 years.

ADMINISTRATIVE MATTERS

Next regular meeting is scheduled for May 18, 2017 at 1:30 p.m.

ADJOURNMENT: There being no further business, Mr. Krygier made a motion to adjourn. Mr. Herek seconded and the Board unanimously passed the motion. The meeting adjourned at 2:02 p.m.

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Ernie Krygier, Secretary